

Agreement Concerning
Boston University's Purchase of the Following Properties:533-541 Commonwealth Avenue
508-510 Commonwealth Avenue

In accordance with the 1984 agreement between Boston University and the City of Boston, incorporated as Exhibit D of the Boston University Master Plan approved by the Boston Redevelopment Authority on March 26, 1987, Boston University has requested BRA approval of the following properties located outside the boundary of its Charles River Campus: 533-541 Commonwealth Avenue and 508-510 Commonwealth Avenue. These purchases and the terms and conditions pertaining to them are submitted to the BRA as an amendment to the Master Plan, to be incorporated into the Master Plan as Appendix E.

The terms and conditions are as follows:

Properties to be Purchased

1. The University will purchase the following properties located outside the boundary of its Charles River Campus: 533-541 Commonwealth Avenue, and 508-510 Commonwealth Avenue.
2. The University will take title to the properties within thirty (30) days of BRA approval of the purchases. The schedules with respect to Kenmore Club operation and reuse planning will become effective on the date of title transfer.

Reuse of the Properties

1. The use of the properties will be limited to full tax paying commercial, office, retail, accessory parking, and residential uses. The reuse should enhance the commercial vitality of the square.
2. No academic or undergraduate housing uses will be proposed. If a housing component is proposed for the redevelopment, all such residential units will be available through an open-market process. No conference or convention center will be located on the site.

Reuse Planning Process

1. Reuse proposals will be subject to community review.
2. Reuse proposals will be subject to the approval of the BRA:
 - o Schematic level proposals will be made to the BRA as proposed amendments to the University Master Plan. After community review, and BRA approval, these plans will be incorporated into the Master Plan as a basis for review of future submissions.
 - o Design development and Final Plans will be subject to community review and BRA approval.

3. The proposed schedule for amendment of the Master Plan to reflect reuse plans is as follows:

- | | |
|---------------------|--|
| o October 15, 1987 | University will initiate the process of interviewing and selecting potential developer/consultants and/or architectural and planning consultants. |
| o December 31, 1987 | University will engage a developer/consultant and or architectural and planning consultant |
| o January 31, 1988 | Discussions of community concerns and the scope of the design effort with community representatives |
| o April 15, 1988 | Schematic level submission to community representatives |
| o June 15, 1988 | Proposed amendment to the University Master Plan incorporating schematic level plans submitted to the Boston University Task Force |
| o July 15, 1988 | Proposed amendment to the Master Plan submitted to BRA <i>FOR APPROVAL INCLUDING ANY CHANGE IN USE OF ANY BUILDING OWNED BY BOSTON UNIVERSITY IN KENMORE SQUARE.</i> |

University Housing Commitments

1. The University reaffirms the commitment established in its Master Plan to house 75% of its undergraduate students in University housing by 1993. Of this, at least 1,200 student bed spaces will be developed on the Commonwealth Armory by 1990. The Master Plan development schedule calls for designated housing developments, including housing at the Commonwealth Armory. The University's purchase of the Kenmore Square properties or any short-term or long-term reuse of the properties will not impact the financing for or the schedule for the production of housing called for in the Master Plan, which remains unchanged.
2. The University reaffirms its commitment to the terms established in its 1984 Agreement with the City and in the University Master Plan for the sale of properties owned by the University outside the Charles River Campus in the Audubon Circle neighborhood. The disposition plan for these properties will be established in the joint University/Audubon Circle Neighborhood Association/BRA planning study now underway.

Kenmore Club License

1. The University commits that the existing license will cease to exist at its present location within 24 months of the University's purchase of the properties.

2. During the 24 month period of operation of the Kenmore Club as a tenant of Boston University, and subject to appropriate approvals, the University will seek to minimize the impact of the club's patrons on the neighborhood by making a parking lot on Commonwealth Avenue and within two blocks of the club available for parking for the patrons of 533 Commonwealth Avenue during evening hours. Rates will be offered to club patrons which will be low enough to attract these patrons, while covering the University's cost in operating the lot.

Short Term Use of the Property

1. Upon acquisition, the University will correct any possible code violations and perform necessary maintenance and repairs to bring all properties up to code standards.
2. Prior to redevelopment of the properties, the University will manage the properties in accordance with existing leases and will perform all necessary maintenance and repairs.
3. The University will assign additional Boston University police patrols, who will be responsible for providing security for those buildings and tenants.
4. In the event that an existing commercial tenant terminates its lease, the University will market the space and select an appropriate, financially secure tenant. There will be no academic, administrative or undergraduate housing uses. If existing residential units are to be offered for rent, they will be placed on the market through the University's Office of Rental Properties Management.

Relocation of Tenants

1. In the event of displacement of residential tenants, relocation assistance will be provided to tenants residing in the property at the time of acquisition. Each of these tenants will be offered a comparable apartment in University or other properties at comparable rent.
2. In the event of displacement the four tenants residing in rent controlled apartments will retain their current status in their new location through a clause to be added to their lease documents establishing this right. Rent increases will be limited to the annual adjustment provided by the Rent Equity Board.
3. Present non-entertainment commercial tenants in good standing will be given the opportunity to renew their leases at market rates, both prior to and following redevelopment of the properties.

Stephen Coyle, Director
Boston Redevelopment Authority

Jon Westling, Acting President
Boston University

MEMORANDUM

AUGUST 13, 1987

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: RICHARD GARVER, ASSISTANT DIRECTOR FOR SPECIAL
PROJECTS
LARRY KOFF, COORDINATOR FOR INSTITUTIONAL PLANNING

SUBJECT: BOSTON UNIVERSITY PROPOSAL TO PURCHASE
533-541 AND 508-510 COMMONWEALTH AVENUE

On May 21, 1987, Boston University requested Authority approval of the purchase of 533-541 and 508-510 Commonwealth Avenue, properties which are outside the boundary of the University's Charles River Campus. Under the terms of the City's 1984 Agreement with the University, which is incorporated into the Authority approved University Master Plan, the Authority must consent to such University purchases.

Property Description

Number 533 Commonwealth Avenue contains the nightclubs Narcissus, Lipstick and Celebration. The properties at 535 and 537 Commonwealth Avenue contain retail and commercial tenants. Number 541 contains 20 residential units, eleven of which are occupied. Taken together these properties on the north side of the square comprise a site of 18,134 square feet. The properties at 508-510 Commonwealth Avenue contain retail and commercial tenants.

The nightclubs have been a source of disruption in Kenmore Square for some time. The negative impact of these uses on the commercial vitality of Kenmore Square, and the need to improve these uses was cited in the Boston University Master Plan recently approved by the Authority.

The University has informed us that it has entered into an agreement to purchase the subject properties with their present owner, Mr. Henry Vara, and that this agreement calls for closing on the transaction on August 15, 1987.

Review Process for Boston University's Request

The City's 1984 agreement with the University and the University Master Plan established community review requirements for University proposals. Accordingly, the University's request was presented to the Boston University Task Force. The Task Force established a sub-committee representing residents and businesses in the Kenmore Square area to review the proposal and make recommendations to the full Task Force. This committee met extensively with Kenmore area residents, BRA staff and the University over the intervening period. As a result of these discussions the sub-committee identified a set of concerns which it felt should be addressed in any approval of Boston University's request. After discussion of these

concerns with the BRA staff and the University on August 4, 1987, the Task Force voted unanimously to recommend the BRA's approval of Boston University's request to purchase the properties, subject to a series of conditions. These are set forth in the attached letter from the Task Force, and concern the following areas:

- o The University's written commitment to maintain its development schedule for new student housing, including a minimum of 1,200 units on the Commonwealth Armory site by 1990.
- o Commitments with regard to the reuse of the properties.
- o Redevelopment plans and designs would undergo community review and would be subject to BRA approval. The reuse plan would be treated as an amendment to the Master Plan.
- o Existing residential and commercial tenants would be protected.
- o The club operation and license would be removed from the square within 24 months of University acquisition and the University would mitigate parking impacts of the club during that period.
- o Limitation on further University presence in Kenmore Square.
- o Confirmation by the University of its commitment to divest Audubon Circle properties identified in its 1984 Agreement with the City.
- o These conditions would become binding commitments incorporated into the Master Plan.

In addition to the Task Force's recommendation on these purchases, we have received a substantial number of letters and petitions supporting the University's purchases. No letters in opposition have been received.

Recommended Action

In response to the recommendations of the Task Force, Boston University has proposed an Agreement, to be entered into by the University and the Authority, establishing conditions pertaining to their purchase of the subject properties. They have submitted this Agreement as an amendment to the University's Master Plan, to be identified as Appendix E, in conformance with the Task Force's request. This Agreement is attached.

The proposed Agreement and the Task Force recommendations were presented yesterday, August 12, to the City's Institutional Expansion Board. After reviewing the issues, the Board voted unanimously to recommend the Authority's approval of the proposed acquisitions, subject to the adoption of the proposed Appendix E as an amendment to the University Master Plan. The Institutional Expansion Board further recommended that the BRA, working with the adjoining neighborhoods, businesses and Boston University, conduct a planning study of Kenmore Square. The purpose of this study would be to address the Boston University Task Force's interest in assuring the continued commercial vitality of the Square and the limitation of the University's

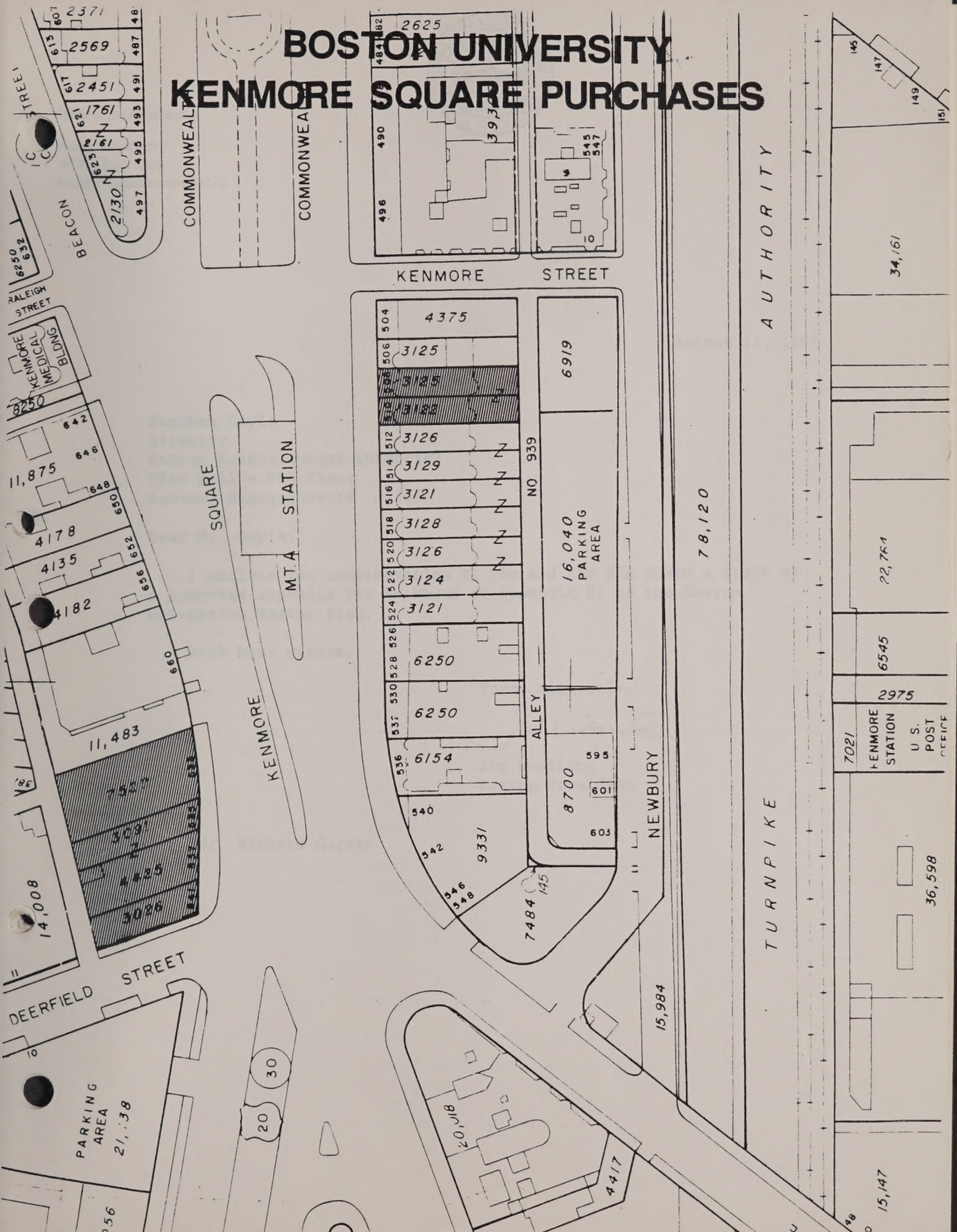
presence there. Authority staff is presently scheduled to conduct an Interim Planning Overlay study of the Fenway/Kenmore area in late 1987. It is proposed that, consistent with this recommendation, the Kenmore Square planning effort become a Special Study within the IPOD.

Based on the University's proposed Agreement, community support for the purchases, and the Institutional Expansion Board's recommendation, it is recommended that the Authority approve Boston University's purchase of 533-541 and 508-510 Commonwealth Avenue, subject to the conditions set forth in the Agreement; that the Director be authorized to execute the Agreement; and that the Authority approve the Agreement, identified as Appendix E, as an amendment to the Master Plan.

An appropriate vote follows:

VOTED: That the Authority hereby approves Boston University's purchases of 533-541 and 508-510 Commonwealth Avenue, subject to the conditions set forth in the Agreement ~~identified as Appendix E of the Master Plan;~~ ^(AS AMEND) that the Director is authorized to execute the Agreement substantially in the form attached; and that the Authority incorporate Appendix E as an amendment of the University Master Plan.

BOSTON UNIVERSITY
KENMORE SQUARE PURCH





Office of the President

Boston University
147 Bay State Road
Boston, Massachusetts 02215

August 12, 1987

Stephen Coyle
Director
Boston Redevelopment Authority
City Hall - 9th Floor
Boston, Massachusetts 02201

Dear Mr. Coyle:

I enclose for consideration by you and the BRA Board a draft of a proposed appendix (to be known as Appendix E) to the Boston University Master Plan.

With best wishes,

Yours sincerely,

Jon Westling
Acting President

cc: Mr. Richard Garver

BOSTON UNIVERSITY
COMMUNITY TASK FORCE

August 6, 1987

Stephen Coyle, Director
Boston Redevelopment Authority
Boston City Hall - 9th Floor
Boston, MA 02201

Re: Proposed Boston University Acquisitions
in Kenmore Square

Dear Director Coyle,

The Boston University Task Force met on Tuesday, August 4, 1987. The subject for discussion was the University's proposed acquisition of 508, 510, and 533-541 Commonwealth Avenue in Kenmore Square. This discussion was the latest of several had by the Task Force and a sub-committee formed to address the issue. The following is a report on the Task Force's recommendations to the Boston Redevelopment Authority (BRA) in connection with the proposed acquisitions.

The proposed acquisitions raise a number of concerns for members of the Task Force, some of which have been squarely addressed by the University, but which leave others to linger as potential problems. Mr. Dick Garver and Mr. Larry Koff of your staff have attended the meetings held by the Task Force and the sub-committee. Their support and counsel to the Task Force have been invaluable; I am confident their report to you will be instructive on describing the sentiments of the Task Force members, as well as the underlying issues that give rise to them. It is nevertheless appropriate that the Task Force submit to you in writing its formal recommendations and they have been set out below.

The Task Force, by a vote of 15 in favor, 0 opposed and 1 abstention, approves Boston University's acquisitions of the Kenmore Square properties, subject, however, to the following conditions:

1. That Boston University enter into a binding written agreement prior to acquisition that the development plan outlined in the Boston University Master Plan for construction of student housing at the Commonwealth Armory site, and the scheduling and financing therefor, not be delayed or diverted in any way in favor of Kenmore Square development.

Carried 13 in favor, 3 opposed, 1 abstention.

2. That Boston University commit to the following:
 - a. to undertake a planning process for re-uses of the acquired properties which, at a minimum, includes the elements outlined in Mr. Peter Cusato's letters of July 7 and July 14, 1987 to the undersigned (letters attached).

August 6, 1987

- 2 -

- b. that only commercial enterprises beneficial to the surrounding neighborhoods and residents be allowed.
- c. that the residential tenants at 541 Commonwealth Avenue be afforded all the rights and protections outlined in Mr. Peter Cusato's July 9, 1987 letter to the undersigned (letter attached).
- d. that, if the eighteen residential units in 541 Commonwealth Avenue are no longer used as residences, they be relocated elsewhere in Kenmore Square, preferably on the north side, but in any event, such change in use to result in no net loss of residential units in Kenmore Square.
- e. that no administrative, academic or institutional university uses be allowed on the subject properties.
- f. that no university affiliated housing, including graduate and undergraduate, be allowed on the subject properties.
- g. that Boston University pay real estate property taxes at the full assessed value on the subject properties.
- h. that no convention center be constructed or allowed on the subject properties.
- i. that Deerfield Street shall remain open, notwithstanding any proposed redevelopment plan for the subject (or adjacent) properties.
- j. that Boston University at no time use their payment of a "premium" for the subject properties as an argument to limit the potential re-use options for redevelopment or use of the subject properties.

Carried 12 in favor, 2 opposed, 2 abstentions.

- 3. That Boston University make no further acquisitions in Kenmore Square.

Carried 8 in favor, 6 opposed, 2 abstentions.

- 4. That the occupation of 533 Commonwealth Avenue by Narcissus, Lipstick and Celebration (or any other like establishment) be terminated no later than 24 months after Boston University's acquisition of the property.

Carried 15 in favor, 0 opposed, 1 abstention

August 6, 1987

- 3 -

5. During the 24 month period of such occupation of 533 Commonwealth Avenue by Celebration, Lipstick and Narcissus, Boston University make available a parking lot on Commonwealth Avenue, within two block's distance, to these clubs' patrons at a price which will provide an incentive to the patrons to park at such lot.

Carried 14 in favor, 2 opposed, 1 abstention.

6. That Boston University honor its commitment and comply with the terms of its Master Plan and the 1984 Cooperation Agreement with the City to dispose of the Audubon Circle properties according to a re-use plan developed by the consultant and approved by the Boston Redevelopment Authority.

Carried 8 in favor, 2 opposed, 4 abstentions.

7. That these conditions voted by the Task Force, if approved by the BRA and reflected in its vote, be incorporated into Boston University's Master Plan, either as a formal amendment or in an appendix.

Carried 8 in favor, 2 opposed, 4 abstentions.

8. That the commercial tenants in the subject properties, if in good standing, be given the option to renew their leases with the university at market rate rents.

Carried 8 in favor, 2 opposed, 5 abstentions.

Two other conditions were voted on, but did not carry. These are as follows:

1. That, if financing for construction of student housing at the Commonwealth Armory is unavailable, Boston University sell any or all of its Kenmore Square properties to raise sufficient funds to carry on with such construction. Sale of the properties must be at fair market value as determined by an independent appraiser, and to a ready, willing and able buyer.

Voted down 8 opposed, 8 in favor, 1 abstention.

2. That Boston University remove its undergraduate students from property it owns on Bay State Road, from Charlesgate West to Raleigh Street, with the exception of Warren Towers, Myles Standish and Shelton Halls, which students are to be accommodated elsewhere on the university campus.

Voted down 8 opposed, 4 in favor, 3 abstentions.

Mr. Stephen Coyle
Director

August 6, 1987

- 4 -

Attached is a list of the member organizations of the Task Force; those attending and voting have been highlighted in yellow. Also indicated are the individuals who represented the attending organizations. (You will note that the Brighton Board of Trade did not attend the meeting, but its president submitted a letter to the Task Force indicating the Board of Trade's support of the University's acquisition of the subject properties. A copy of the letter is attached.)

A great deal of time and effort went into the development of the conditions listed above, and the members of the Task Force respectfully urge the Boston Redevelopment Authority to consider its recommendations seriously in coming to the Authority's own conclusions on the wisdom or ultimate approval of the University's acquisition of the subject properties. If the Board of the BRA wishes to hear further from the members of the Task Force on this matter, or has any question on the comments or conditions set forth above, please do not hesitate to contact Mr. Henry Ragin, Chairman of the Task Force, or the undersigned.

Thank you very much for your consideration and attention.

Very truly yours,

Dolores Boogdanian
Dolores Boogdanian
Co-Chair

Enclosures

cc: Mr. Peter Cusato
Mrs. Ruth Dorfman
Members, Task Force

BOSTON UNIVERSITY/COMMUNITY TASK FORCE

~~Allston Board of Trade~~ - Mr. Max Lefkowitz

Allston Civic Association

~~Allston-Brighton Area Planning Council~~ - Mr. Paul Creighton

Allston-Brighton Arts Council

Allston-Brighton Community Development Corporation

~~Community Beautification Council~~ - Mr. John Carmilia

~~Audubon Circle Neighborhood Association~~ - Ms. Dolores Boogdanian

~~Bay State Road Civic Association~~ - Mr. Victor Themo

~~Bay State Road Neighborhood Association~~ - Mr. Herbert Walsh

~~Boston University Student Senate~~ - Mr. Peter Kapinos

~~Brighton Board of Trade~~

~~Brighton-Allston Improvement Association~~ - Mrs. Margaret McNally

~~Circle/Reservoir Community Association~~ - Mr. Joe Feiner

~~Corey Hill Neighborhood Association (Brighton)~~ - Mr. Terry Cohen

Corey Hill Neighborhood Association ((Brookline)

Cottage Farm Neighborhood Association

Fenway Civic Association

~~Fenway Community Development Corporation~~ - Mrs. Barbara McKinley

~~Jackson Main Community School Council~~ - Mr. Jeff Buschel

~~Kenmore Area Action Council~~ - Ms. Madeline Kasdon

~~Kenmore Association, Inc.~~ - Ms. Lori Gordon

Longwood Neighborhood Association

~~Neighborhood Association of the Back Bay~~ - Mr. Peter Papesch

~~North Brookline Neighborhood Association~~ - Ms. Evelyn Roll

~~South Allston Neighborhood Association~~ - Mr. Jim Hynes

Washington Heights Civic Association

Represented by letter from Mr. John Bruno, President



BRIGHTON BOARD OF TRADE

Post Office Box 184
Brighton, Massachusetts 02135
Telephone (617) 254-6400

OFFICERS and DIRECTORS 1987-88

PRESIDENT

John Bruno
Brookline Bag and Paper Company

AUGUST 4, 1987

1st VICE-PRESIDENT

Laurence Barton
Boston College

2nd VICE-PRESIDENT

John Carney
McNamara Funeral Home

SECRETARY

Richard Patnode
F.I. Patnode Insurance Agency

TREASURER

Harvey McFeaters
Greater Boston Bank

DIRECTORS

Joseph Amoroso
Boston University
Michael G. Aylward
U.S. Trust Company
Judith Bracken
Mayor's Office of Neighborhood Services
Mark Devlin
John J. Ryan Insurance Agency
Thomas Dietz
Albert Basse Associates
Larry Gray
Gray's Market
Stephen J. Iarocci
Bank of Boston
Otto F. Kucera
J.S. Waterman & Sons Funeral Service
William Margolin
West End House, Inc.
J. Thomas Marquis
Marquis Real Estate
Liz McGurrin
McGurrin's Gift Shop
Frank Moy, Jr.
St. Elizabeth's Hospital
John Ryan
John J. Ryan Insurance Agency

COMMUNICATIONS DIRECTOR

Frank Moy, Jr.

NEWSLETTER

MANAGING EDITOR

Jane Brockmann
St. Elizabeth's Hospital

DEAR HENRY RAGIN,

I REGRET THAT I WILL BE UNABLE TO ATTEND THIS EVENING'S MEETING. HOWEVER I WOULD LIKE TO TAKE THIS OPPORTUNITY TO EXPRESS THE BRIGHTON BOARD OF TRADE'S FEELINGS ON THE MATTER. THE BRIGHTON BOARD OF TRADE IS IN FULL SUPPORT OF BOSTON UNIVERSITY ACQUIRING THE SIX PROPERTIES IN KENMORE SQUARE. IT IS THE BOARD'S FEELING THE SUCH ACQUISITION WOULD POSITIVELY ENHANCE THE SURROUNDING AREA. IT WOULD ALSO REVITALIZE THE COMMUNITY. IT OUR BELIEF THAT THE REDEVELOPMENT AND REMODELING OF THESE BUILDINGS WOULD BE A STEP FORWARD AND A STEP INTO THE FUTURE IN MAKING KENMORE SQUARE A BETTER COMMUNITY. WE LOOK FORWARD TO PARTICIPATING IN THE FUTURE PLANNING OF THE AREA. IF THERE ARE ANY FURTHER QUESTIONS YOU HAVE WITH REGARDS TO THE BOARDS POSITION CONCERNING THE UNIVERSITY ACQUIRING THE SAID PROPERTIES PLEASE DO NOT HESITATE TO CALL ME AT 254-6400. PLEASE RECORD OUR VOTE IN THE AFFIRMATIVE.

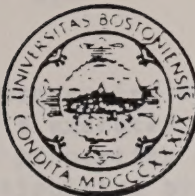
SINCERELY YOURS,

John A. Bruno
JOHN A. BRUNO
PRESIDENT

Boston University

25 Buick Street
Boston, Massachusetts 02215
617/353-2148

Vice President for Business Affairs



July 7, 1987

Ms. Dolores Boogdanian
452 Park Drive, Fl6
Boston, Massachusetts 02215

Dear Ms. Boogdanian:

At the conclusion of the meeting last Tuesday night, the University agreed to provide written information pertaining to a number of questions posed by the Subcommittee. The lateness of the hour however prevented you from recapping the specific questions; we therefore offer responses to what we believe were the principal concerns.

1. Will Boston University Acquire the Existing Liquor License?

As you know, Boston University did not originally pursue acquisition of the liquor license. It was our intention to reduce the number of bars in the Kenmore Square area; in fact, we believed that an attempt to acquire a liquor license might subject the University to criticism. Since it now appears that the Subcommittee would like us to try to acquire the license, the University will pursue the matter vigorously. It should be emphasized, however, that the owner has indicated that the license is not for sale. We are arranging a meeting with the owner and/or his representatives to press this matter further. In short, Boston University will make every effort to acquire the liquor license and use it for an appropriate upgraded use compatible with the concerns expressed by some members of the Task Force. We will report on our progress Thursday evening.

There is a matter of detail which may be of interest to members of the Subcommittee. According to the procedures used by the Licensing Board, the Board has the power to revoke a license for non-use, and to reissue it to another licensee. This is contrary to the impression that Mr. Themo left us with last Tuesday.

2) Could the Parcels be Purchased Separately?

As we said at last Tuesday's meeting, the sellers have informed us that they wish to sell all their holdings in Kenmore Square. In

-2-

consequence, the subject properties were offered only in their entirety. The University's executed letter of intent clearly indicates that all of the properties are being sold at a single price. It was clearly articulated by the seller and understood by the University that the properties were being offered as a package.

3) What are the Lease Profiles of the Current Commercial Tenants?

The sellers have denied the University permission to provide specific and detailed information on each of the commercial tenants occupying space in 508-510 and 553 -541 Commonwealth Avenue. It is the sellers' position that this information is private and may not be publicly disclosed. The sellers have, however, agreed to allow the University to disclose the current uses and range of remaining lease terms for each of the six (6) properties:

	<u>Address</u>	<u># of Comm. Tenants</u>	<u>Uses</u>	<u>Range</u>
1.	508 Comm. Ave.	Six (6)	Hair Salon Clothing, Offices.	1 yr office - 15 yr retail
2.	510 Comm. Ave.	Five (5)	Restaurant, Bookstore, Offices.	2 yr office - 3 yr retail
3.	533 Comm. Ave.	Two (2)	Night Clubs, Billboard.	18-24 months
4.	535 Comm. Ave.	Two (2)	Optician, Photography School.	2 months - 5 yrs
5	537/530 Comm. Ave.	Two (2)	Restaurant, Photography School.	5 yrs - 14 yrs
6.	541 Comm. Ave.	Two (2)	Convenience Store, Billboard.	6 yrs - 10 yrs

4) What are the Short-term Development Plans of the University?

During the comprehensive reuse planning period (18 months), the University will manage these properties in accordance with the terms of the existing leases and will perform all necessary maintenance and repairs. This will in itself substantially improve the appearance, quality of life, and conditions in Kenmore Square. The following additional services will be provided by the University:

1. The assignment of custodial staff to clean building common areas, entrances, remove graffiti, and remove litter from sidewalks.
2. The assignment of additional Boston University Police patrols who will be responsible for providing security for these buildings and tenants.
3. The development of a comprehensive uniform sign control program for Kenmore Square in conjunction with the Kenmore Association.

In the event that an existing commercial tenant terminates its lease, the University will market the space and select an appropriate, financially secure replacement tenant. There will be no academic or undergraduate dormitory uses in these properties.

5) Could the Timeline for the BRA Response be Extended?

The sellers of the property have informed the University that they will not extend the closing date for the transaction beyond approximately August 15, 1987. The suggestion by some members of the Subcommittee that the University develop a detailed reuse plan before the BRA acts is unrealistic. Any carefully drawn plan, taking into account both the highest and best use of the properties and the needs of the surrounding neighborhoods will require a minimum of eighteen months to create. The University has repeatedly said, however, that the planning process will be conducted with participation by the Task Force, and will of necessity be under the control of the various City planning and regulating agencies and boards.

It should be noted that in negotiating this acquisition, Boston University provided sufficient time to comply with the terms of paragraph 6 of the 1984 agreement with the City of Boston. You will recall that in developing the Master Plan, the Task Force asked the University to agree to keep this provision in force beyond its original expiration date, and the University agreed to this request. This provision provides for a 60-day review period.

6) Will the Subject Properties be used as a Conference Center?

No. The concept of a small conference facility is discussed in the Master Plan for site Q. Site Q is adjacent to the subject properties. The University has for many years publicly discussed the the possibility of a conference facility at that location. We do not believe that the subject properties should house the conference facility. We believe that the conference facility, should it ever come to fruition, would be best situated at site Q. It appears to us that the subject properties would lend themselves best to commercial and office uses.

7) Can you Finance the Dormitories on the Armory Site?

Yes, as specified in the 1984 Agreement between the University and the City--i.e., "subject to the availability of adequate financing." The financing of the development of the properties in Kenmore Square--no less than of the Armory or of any other major project--will depend upon the uses for which the project is designed and the evaluation of the project's financial viability by financial institutions and other potential sources of financing. We believe that, if it is properly planned, with due consideration of the financial implications involved, the student housing on the Armory site will attract adequate financing. We believe that the commercial and retail development which we currently foresee for the subject properties will likewise attract adequate financing--if the planning reflects the realities of the market.

In addition to these specific matters, I should also like to address an issue that was the subject of much discussion last Tuesday: our long range use plans for the property. In Mr. Mercurio's letter of May 21, 1987, to the Boston Redevelopment Authority, he pointed out that the possibility of this acquisition had arisen unexpectedly, and that there had been no opportunity to develop a full-scale reuse plan. He also said that "the University will undertake a comprehensive reuse planning process with representatives of the Task Force and the City," and that "the ultimate reuse plan will be subject to City approval, and will be submitted as an amendment to the Master Plan."

We propose the following timetable and approach for this planning process:

- a. that the University begin reuse planning no more than one month after the acquisition is final;
- b. that the University retain consultants to review the site and to make recommendations as to its utilization for commercial purposes;
- c. that the University retain design consultants to make recommendations regarding preliminary building reuse options, site plans, design guidelines (as appropriate) and building elevations for consideration by the Task Force and appropriate City authorities within nine months of the acquisition.
- d. that the planning process be of not more than eighteen months duration;

I hope that this serves to clarify the issues raised at last Tuesday's meeting. At our meeting on Thursday, we will be pleased to provide any additional relevant information that we may have by that time.

Yours sincerely,

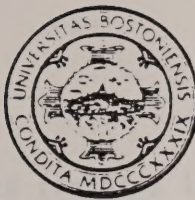
Peter Cusato

Peter J. Cusato
Vice President for
Business Affairs

Boston University

25 Buick Street
Boston, Massachusetts 02215
617/353-2148

Vice President for Business Affairs



July 9, 1987

Ms. Dolores Boogdanian
452 Park Drive, Fl6
Boston, Massachusetts 02215

Dear Ms. Boogdanian:

In our haste to respond to the questions raised at the subcommittee meeting, we failed to answer one question of concern:

What Will the Status of the Current Tenants be When You Acquire These Properties?

There are 20 apartments at 541 Commonwealth Avenue. All twenty (20) have been registered with the Rent Equity Board. The current Status of these apartments are sixteen (16) vacancy decontrolled and four (4) rent controlled. Eleven (11) of the apartments are occupied and nine apartments are vacant. Rents are substantially below prevailing rates charged in this area.

Upon acquisition, the University will correct any possible code violations and perform the necessary maintenance and repairs in order to bring all of the apartments up to University standards. These apartments will be managed in accordance with the Rent Equity Board regulations and the nine (9) vacant apartments will be made available for market housing.

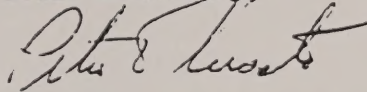
In the event long range plans displace tenants, relocation assistance will be provided to tenants residing in the property at acquisition. Each of those tenants will be offered a comparable apartment in University or other properties at a similar rent rate.

Tenants relocated to vacancy decontrolled apartments will continue to be afforded the protection of the Rent Equity Ordinance which limits rent increases to the C.P.I for Class A tenants (elderly, handicapped, low moderate income) and not more than 10% for Class B tenants. This percentage rent increase range may vary according to future amendments by the Rent Equity Board.

The four (4) tenants residing in rent controlled apartments will retain their current status in their new location. A rent controlled apartment cannot be created from a vacancy decontrolled apartment. However, a clause will be added to the lease document which will provide them with similar rights provided to rent controlled tenants, and rent increases will be limited to the annual general adjustment provided by the Rent Equity Board.

I hope this will help to clarify the issue in question. Should you need any additional information, do not hesitate to contact me.

Yours sincerely,

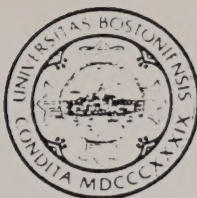


Peter J. Cusato
Vice President for
Business Affairs

Boston University

25 Buick Street
Boston, Massachusetts 02215

Office of the
Vice President for Business Affairs



July 14, 1987

Ms. Dolores Boogdanian
452 Park Drive, Fl6
Boston, Massachusetts 02215

Dear Ms. Boogdanian:

At the conclusion of last Thursday's meeting, there were several items to which we agreed to respond, to wit:

1. I expect to have a letter from Mr. Vara's attorney shortly pertaining to the concept of the license purchase, however, suffice it to say, that he will not agree to sell the license to Boston University.
2. The University did indeed secure appraisals of the properties on Commonwealth Avenue as a package, which was consistent with the Letter of Intent signed by Mr. Vara. Therefore, a breakdown of the appraisals by individual building is not available.
3. We would be more than happy to make parking available for the nightclubs over the next 18-24 months. However, our license at the Lahey lot, which would be the most useful lot for the purposes described at the last meeting is limited to faculty, staff and students. We believe that with your support we could get the necessary broadened use approved by the Zoning Board of Appeals. Concurrently (based on the assumption we will get the necessary zoning change) we would work with the management of the nightclubs to establish a system where patrons could pay for parking in our lot.
4. It is the opinion of University officials that, by agreeing to the process outlined on Page 4 of my letter of July 7th to you, we have suggested an approach which provides the necessary tool to develop suitably acceptable and understood reuses. However, to address some key concerns reiterated on Thursday, as we have said many times, any new uses will be taxpaying; the properties will not be used for Boston University academic uses or undergraduate student dormitories; in addition we agree that we will develop plans pertaining to the parcels adjacent to Deerfield Street that allow the street to remain open; and finally, as stated in the July 7th letter, we will continue our commitment to not put a convention center on the site.

Ms. Dolores Boogdanian

July 14, 1987

Page Two

5. We do indeed agree that the planning process can be condensed to a range of 12-18 months. The nine months outlined in Item c. is what we think we should use for the initiation of plans within the University and the development of reuse options. Once that nine months from the date of acquisition has passed, we would have completed the steps through Item c. of my July 7th letter. What that implies is that nine months after the transaction is completed that the Task Force and the City would decide whether or not we need 3, 6 or 9 months to execute the remainder of the reuse planning process.
6. At the meeting, I will share with the Subcommittee a statement relating to the financing of the purchase and the construction of dormitories on the Armory site.

I believe that this answers the questions which remained at last Thursday night's meeting.

Yours sincerely,

Peter Cusato

Peter J. Cusato

PJC/rbl